

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6591

BILL NUMBER: SB 591

NOTE PREPARED: Dec 28, 2010

BILL AMENDED:

SUBJECT: Resident Tuition for Certain Nonresident Students.

FIRST AUTHOR: Sen. Zakas

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill allows the Commission for Higher Education to authorize a regional campus of Indiana University or Purdue University that is located in a county adjacent to another state to charge resident tuition to certain residents of the adjacent state without the Commission for Higher Education (CHE) being required to enter into a reciprocal resident tuition agreement with the adjacent state.

Effective Date: July 1, 2011.

Explanation of State Expenditures: The bill could increase state expenditures for higher education if the number of resident students increased. The state currently provides an adjustment for state institutions with a history of growth. The adjustment is based on a four-year rolling average. The adjustment for enrollment change recommended by CHE is about \$617 per student for FY 2012 and FY 2013. The enrollment change calculation does not apply to Indiana University - Bloomington, Purdue University - West Lafayette, Indiana State University, or Ball State University. The impact on expenditures would probably be minor.

Explanation of State Revenues: Universities could experience either a decrease in fee revenue if the student would have attended the institution at the nonresident fee rate or an increase in revenue if the student would not have attended the institution. The difference in resident tuition and nonresident tuition ranges from \$5,200 to \$17,000, depending on the state institution. The cost of resident tuition and fees among state educational institutions varies from about \$3,100 to \$9,100 per year.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Regional campuses of Indiana University or Purdue University in border counties.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.